

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11  
Safety-Kleen Corp., : Case No. 00-2303 (PJW)  
et al., :  
Debtors. : Jointly Administered  
-----X Related to Docket Number 3672

ORDER (I) AUTHORIZING AND APPROVING (A) SALE OF  
SUBSTANTIALLY ALL OF THE ASSETS AND CERTAIN EQUITY  
INTERESTS OF THE DEBTORS' CHEMICAL SERVICES DIVISION TO  
CLEAN HARBORS, INC., FREE AND CLEAR OF LIENS, CLAIMS,  
ENCUMBRANCES AND INTERESTS, AND (B) ASSUMPTION AND  
ASSIGNMENT OF CERTAIN RELATED EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES, AND (II) DETERMINING THAT SUCH SALE IS  
EXEMPT FROM ANY STAMP, TRANSFER, RECORDING, OR SIMILAR TAX,  
AND (III) GRANTING RELATED RELIEF

This matter having come before the Court on the  
motion dated February 22, 2002 (the "Motion")<sup>1</sup> of Safety-  
Kleen Corp. and certain of its subsidiaries and affili-  
ates, debtors and debtors-in-possession (collectively,  
the "Debtors"), for entry of an order (I) authorizing and  
approving (a) the agreement (the "Agreement") for the  
sale (the "Sale") of substantially all of the assets and  
certain equity interests (the "Acquired Assets") of the

<sup>1</sup> Unless otherwise defined, capitalized terms used  
herein shall have the meanings ascribed to them in  
the Motion and/or the Agreement.

Debtors' Chemical Services Division to Clean Harbors, Inc. and/or its designee(s) ("Clean Harbors"), (b) authorizing the Sale of the Acquired Assets to Clean Harbors or the Successful Bidder pursuant to the Agreement, or to another qualified bidder submitting a higher or otherwise better offer (the "Successful Bidder") free and clear of all liens, claims, encumbrances and interests, and exempt from any stamp, transfer, recording, or similar tax, (c) authorizing the assumption and assignment of certain executory contracts and unexpired leases (the "Designated Contracts") and certain liabilities to Clean Harbors or the Successful Bidder, and (d) granting related relief, as more fully described in the Motion; and a hearing having been held on March 8, 2002 in connection with the bidding procedures and bidding protection (the "Bidding Procedures Hearing"), and the Court having entered the Procedures Order on the same date approving, among other things, the Bidding Procedures and the Bidding Protections; and a hearing having been held on June 17, 2002 (the "Sale Hearing"), at which time all interested parties were offered an opportunity to be heard with respect to the Sale and the identification of the Successful Bidder; and the Court having considered (i) the Motion, (ii) any competing bids and objections to the

Motion, and (iii) the arguments of counsel made, and the evidence proffered or adduced, at the Sale Hearing; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and reasonable and adequate notice of the Motion, the Procedures Order and the Sale Hearing having been provided to all persons required to be served in accordance with 11 U.S.C. §§ 101, et seq. (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure, and the Local Rules and orders of this Court; and upon the record of the Sale Hearing and these chapter 11 cases; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

FOUND AND DETERMINED THAT:<sup>2</sup>

A. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue of these cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

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<sup>2</sup> Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

B. The statutory predicates for the relief sought in the Motion are sections 105(a), 363(b), (f), (m) and (n), 365, and 1146(c) of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code"), and Fed. R. Bankr. P. 2002, 6004, 6006 and 9014.

C. As evidenced by the affidavits of service and publication previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the Bidding Procedures, the Auction, the Sale Hearing, the Sale, and the assumption and assignment of the Designated Contracts and certain liabilities has been provided in accordance with 11 U.S.C. §§ 102(1), 105, 363 and 365 and Fed. R. Bankr. P. 2002, 6004 and 9014 and in compliance with the Procedures Order, (ii) such notice was good and sufficient, and appropriate under the particular circumstances, and (iii) no other or further notice of the Motion, the Auction, the Sale Hearing, the Sale, or the assumption and assignment of the Designated Contracts and certain liabilities is or shall be required.

D. As demonstrated by (i) the testimony and other evidence proffered or adduced at the Sale Hearing

and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors have marketed comprehensively the Acquired Assets prior to their entrance into the Agreement and conducted the sale process in compliance with the Procedures Order.

E. Each of the Debtors (i) has full corporate power and authority to execute the Agreement and all other documents contemplated thereby, and the sale of the Acquired Assets by the Debtors has been duly and validly authorized by all necessary corporate action of each of the Debtors, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the Agreement, (iii) has taken all corporate action necessary to authorize and approve the Agreement and the consummation by the Debtors of the transactions contemplated thereby, and (iv) no consents or approvals, other than those expressly provided for in the Agreement, are required for the Debtors to consummate such transactions.

F. Approval of the Agreement and consummation of the Sale at this time are in the best interests of the Debtors, their creditors and estates.

G. The Debtors have demonstrated both good, sufficient, and sound business purpose and justification

for the Sale pursuant to 11 U.S.C. § 363(b) prior to, and outside of, a plan of reorganization in that, among other things:

(1) A Sale of the Acquired Assets is the best way to maximize value for the Debtors' estates and creditors. Moreover, a sale will allow the Debtors' management to focus their attention and efforts on the BSSD.

(2) Clean Harbors has offered substantial value for the Acquired Assets. The terms and conditions set forth in the Agreement and the sale of the Acquired Assets to Clean Harbors pursuant thereto, represent a fair and reasonable purchase price and constitute the highest or otherwise best offer obtainable for such assets.

(3) The Debtors and their investment bankers, Lazard Frères & Co. LLC ("Lazard"), diligently and in good faith marketed the Acquired Assets to secure the highest or otherwise best offer from potential strategic and financial buyers. In addition, the Debtors mailed the Procedures Order, the Motion, the Agreement, the proposed Sale Order and Notice of Auction in the form annexed as Exhibit A to the Procedures Order, on or before March 12, 2002 to, among others, each of the entities that had previously expressed an interest in the Acquired Assets and published a notice of the Sale Hearing in the national editions of the Wall Street Journal and The New York Times.

H. A reasonable opportunity to object or be heard with respect to the Sale has been afforded to the following interested persons and entities: (i) all entities on the 2002 service list; (ii) all entities known to have asserted any Encumbrances (as defined

below) and Claims (as defined below) in or upon the Acquired Assets; (iii) all federal, state and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the Acquired Assets; (iv) all parties to Designated Contracts to be assumed and assigned; (v) all reasonably identifiable holders of claims against Seller or Selling Subs with respect to environmental liabilities or obligations; (vi) the United States Environmental Protection Agency; (vii) the Securities and Exchange Commission; (viii) the United States Attorney's office; (ix) the Internal Revenue Service, and (x) the Office of the United States Trustee.

I. The Agreement was negotiated, proposed and entered into by the Debtors and Clean Harbors without collusion, in good faith, and from arm's-length bargaining positions with the parties represented by independent counsel and financial advisors. Neither the Debtors nor Clean Harbors have engaged in any conduct that would cause or permit the Agreement to be avoided under 11 U.S.C. § 363(h).

J. The terms and conditions of the Agreement and the transactions contemplated thereby, including without limitation the transfers of Acquired Assets pursuant to the Agreement, are fair and reasonable.

K. Clean Harbors is a good faith buyer under 11 U.S.C. § 363(m) and, as such, is entitled to all of the protections afforded thereby. The Debtors and Clean Harbors are acting at arm's length, without collusion and in good faith within the meaning of 11 U.S.C. § 363(m) in undertaking the transactions contemplated by the Agreement and such parties are entitled to the protections of 11 U.S.C. § 363(m).

L. The consideration to be provided by Clean Harbors for the transfers of Acquired Assets pursuant to the Agreement (i) is fair and reasonable, (ii) is the highest or otherwise best offer for the Acquired Assets, (iii) will provide a greater recovery for the estates than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

M. The transfers of the Acquired Assets to Clean Harbors pursuant to the Agreement are or will be legal, valid, and effective transfers of the Acquired Assets, and vest or will vest Clean Harbors with all right, title, and interest of the Debtors in and to the Acquired Assets free and clear of all encumbrances in-



cluding, but not limited to, encumbrances (A) that purport to give to any party a right or option to effect any forfeiture, modification, right of first refusal, or termination of the Debtors' or Clean Harbors' interest in the Acquired Assets, or any similar rights or (B) relating to taxes arising under or out of, in connection with, or in any way relating to the operation of the Business prior to the Closing Date, except as provided in the Agreement.

N. Clean Harbors would not have entered into the Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtors, their estates, and their creditors, if the sale of the Acquired Assets to Clean Harbors were not free and clear of all Encumbrances and Claims of any kind or nature whatsoever, except as provided in the Agreement.

O. The liabilities assumed in paragraph 1.3 of the Acquisition Agreement specifically include the liability of the Seller and the Selling Subs with respect to the Business and the Acquired Assets for liability to a governmental entity acting under CERCLA or similar state statutes with respect to those sites set forth on Exhibit A.

P. The liabilities assumed in paragraph 1.3 of the Agreement specifically include the liabilities of the Seller and the Selling Subs to a governmental entity with respect to the Business and the Acquired Assets under federal or state Environmental Laws for activities conducted at or in connection with any of the Owned Real Property as defined in the Agreement, including releases and exposure to migration of materials from such Owned Real Property, excluding, however, all Excluded Liabilities, as defined in subsections (ii) through (vi) of the definition of "Excluded Liabilities" in the Agreement.

Q. The Debtors may assign and transfer to Clean Harbors, all of the Debtors' right, title and interest (including common law rights) to all of their intangible property included in the Acquired Assets.

R. The Debtors may sell the Acquired Assets free and clear of all Encumbrances and Claims of any kind or nature whatsoever because, in each case, one or more of the standards set forth in 11 U.S.C. § 363(f)(1)-(5) has been satisfied. Those (i) holders of Encumbrances and Claims and (ii) non-debtor parties to the Designated Contracts who did not object, or who withdrew, settled, or otherwise resolved their objections, to the Sale or the Motion or the assumption and assignments of Desig-

nated Contracts contemplated by the Agreement and the Motion, are deemed to have consented to the Sale, to such assumption and assignments and to the other transactions contemplated in the Agreement, pursuant to 11 U.S.C. §§ 363(f)(2) and 365. Those holders of Encumbrances and Claims who did object fall within one or more of the other subsections of 11 U.S.C. § 363(f) and are adequately protected by having their Encumbrances and Claims, if any, attach to the cash proceeds of the Sale ultimately attributable to the property against or in which they claim an Encumbrance or Claim.

S. The Sale and the transfers of the Acquired Assets to Clean Harbors are being undertaken in contemplation of and furtherance of effectuating a plan or plans of reorganization. Accordingly, such Sale, transfers, assumption and assignments constitute transfers pursuant to 11 U.S.C. § 1146(c), which are exempt from and shall not be taxed under any law imposing a stamp tax, transfer tax or similar tax.

T. The Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign the Designated Contracts to Clean Harbors in connection with the consummation of the Sale, and the assumption and assignment of the Designated Contracts is

in the best interests of the Debtors, their estates, and their creditors. The Designated Contracts being assigned to, and the liabilities being assumed by, Clean Harbors are an integral part of the Chemical Services Division being purchased by Clean Harbors and, accordingly, such assumption and assignment of Designated Contracts and liabilities are reasonable, enhance the value of the Debtors' estates, and do not constitute unfair discrimination.

U. The Debtors have (i) cured, or have provided adequate assurance of cure, of any default existing prior to the date hereof under any of the Designated Contracts, within the meaning of 11 U.S.C. § 365(b)(1)(A), and (ii) provided compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Designated Contracts, with the meaning of 11 U.S.C. § 365(b)(1)(B), and Clean Harbors has provided adequate assurance of their future performance of and under the Designated Contracts, within the meaning of 11 U.S.C. § 365(b)(1)(C).

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED,  
AND DECREED THAT:

**General Provisions**

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled are overruled on the merits.

**Approval of the Agreement**

3. The Agreement (including all of the related documents, exhibits, and schedules) and the transactions contemplated thereby be, and hereby are, approved in all respects.

4. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors are authorized to consummate the Sale, pursuant to and in accordance with the terms and conditions of the Agreement. If Clean Harbors fails to consummate the Sale because of a breach or failure timely to perform on its part as provided in the Agreement, then Onyx North America Corp.'s bid ("Onyx") shall be designated an alternate bid, and the Debtors are authorized, but not required, in their sole discretion, to effectuate a sale to Onyx without further order of the Bankruptcy Court.

5. The Debtors are authorized and empowered to execute and deliver, perform under, consummate and implement, the Agreement (together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Agreement), and to take all further actions as may reasonably be requested by Clean Harbors for the purpose of assigning, transferring, granting, conveying and conferring to Clean Harbors or reducing to possession, the Acquired Assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Agreement.

#### **Transfer of Acquired Assets**

6. Except as expressly permitted or otherwise specifically provided for in the Agreement or this Order, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, upon closing under the Agreement, the Acquired Assets shall be transferred to Clean Harbors and as of the Closing Date shall vest Clean Harbors with all right, title and interest in and to the Acquired Assets, free and clear of (a) all mortgages, deeds of trust, security interests, conditional sales or other retention agreements, pledges, liens, judgments, encumbrances, rights of first refusal or changes of any kind or nature, if any, including but not limited to any restriction on the use,

voting, transfer, receipt of income or other exercise of any attributes of ownership (together, the "Encumbrances"), and (b) all debts arising under, relating to agreements, acts, or failures to act of any of the Debtors or any of the Debtors' predecessors or affiliates, claims (as that term is defined in section 101(5) of the Bankruptcy Code), obligations, liabilities, demands, guaranties, options, rights, contractual or other commitments, restrictions, interests and matters of any kind and nature, whether known or unknown, contingent or otherwise, whether arising prior to or subsequent to the commencement of these cases, and whether imposed by agreement, understanding, law, equity or otherwise arising under doctrines of successor liability (collectively, "Claims"), with all such Encumbrances and Claims, with the exception of the Non-consenting Tax Claimants and Non-consenting Lien Claimants' liens, each as defined below, to attach to the net proceeds of the sale of the Acquired Assets in the order of their priority, with the same validity, force and effect which they now have against the Acquired Assets subject to any claims and defenses the Debtors and other parties may possess with respect thereto.

7. For holders of tax claims who have asserted tax liens on the Acquired Assets and have objected to the Motion (the "Non-consenting Tax Claimants"), the Debtors shall either (i) pay the Non-consenting Tax Claimants the full amount of their undisputed liens at Closing or (ii) segregate a portion of the net proceeds of the Sale of the Acquired Assets sufficient to satisfy each of the Non-consenting Tax Claimant's liens, which proceeds shall be held in a separate interest bearing account (the "Tax Segregated Fund"). Such proceeds shall remain in the Tax Segregated Fund pending either (i) entry of an Order by the Court, after notice and opportunity to be heard, directing the appropriate application of such funds, (ii) confirmation of the Debtors' plan or plans of reorganization, or (iii) an agreement by the Non-consenting Tax Claimants with respect to the payment of the funds in the Tax Segregated Fund to a Non-consenting Tax Claimant in the amount of the Non-consenting Tax Claimant's asserted lien or liens. The Non-consenting Tax Claimants' liens shall attach to the Tax Segregated Fund in the amount asserted in their respective objection or otherwise agreed upon by the parties, to the extent and priority that such tax liens have attached to the Acquired Assets. However, such tax liens shall be subject to any claims



and defenses the Debtors and other parties may possess with respect thereto and the Debtors hereby reserve their rights to object to the claims asserted by the Non-consenting Tax Claimants in their respective objections to the Sale or in their proofs of claim filed with the Court.

8. For holders of construction or mechanic's liens who have asserted a lien against the Acquired Assets and have objected to the Motion (the "Non-consenting Lien Claimants"), the Debtors shall either (i) pay the Non-consenting Lien Claimants the full amount of their undisputed liens at Closing or (ii) segregate a portion of the net proceeds of the sale of the Acquired Assets sufficient to satisfy each of the Non-consenting Lien Claimants' asserted liens, which proceeds shall be held in a separate interest bearing account (the "Lien Segregated Fund"). The Non-consenting Lien Claimants' liens shall attach to the Lien Segregated Fund in the amounts asserted in their respective objection or otherwise agreed upon by the parties, to the extent that such construction or mechanic's liens have attached to the Acquired Assets. However, such construction or mechanic's liens shall be subject to any claims and defenses the Debtors and other parties may possess with respect thereto and the Debtors

hereby reserve their rights to object to the claims asserted by the Non-Consenting Lien Claimants in their respective objections or otherwise agreed upon by the parties to the Sale or in their proofs of claim filed with the Court.

9. Except as expressly permitted by the Agreement or this order, all persons and entities holding Encumbrances or Claims of any kind and nature with respect to the Acquired Assets are hereby enjoined from asserting, prosecuting or otherwise pursuing such Encumbrances and Claims of any kind and nature against Clean Harbors, its successors or assigns, or the Acquired Assets.

**Assumption and Assignment to Clean Harbors  
of Assumed Contracts and Leases**

10. Pursuant to sections 105(a), 363 and 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing of the Sale, the Debtors' assumption and assignment to Clean Harbors of the Designated Contracts transferred at the Closing, and Clean Harbors' acceptance of such assignment on the terms set forth in the Agreement, is hereby approved, and the requirements of sections 365(b)(1) and 365(f) of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

11. In accordance with sections 105(a), 363, and 365 of the Bankruptcy Code and the Agreement, the Debtors are hereby authorized to (a) assume and assign to Clean Harbors or its designee(s), effective upon the Closing Date of the Sale, the Designated Contracts free and clear of all Claims and Encumbrances of any kind or nature whatsoever, except those Permitted Exceptions and Assumed Liabilities set forth in the Agreement, (b) execute and deliver to Clean Harbors such documents or other instruments as may be necessary to assign and transfer the Designated Contracts to Clean Harbors, (c) execute and deliver to Clean Harbors such documents or other instruments as may be necessary to assign and transfer the Designated Contracts transferred to Clean Harbors; such assumptions and assignments shall be deemed to have occurred on the Closing Date without further order of the Court.

12. All of the Designated Contracts shall be transferred to, and remain in full force and effect for the benefit of, and be enforceable by, Clean Harbors in accordance with their respective terms, notwithstanding any provision in any such Designated Contract (including those described in sections 365(b)(2), 365(c) and 365(f)(1) and (3) of the Bankruptcy Code or any applica-

ble non-bankruptcy law) that prohibits, restricts, or conditions such assignment or transfer and, pursuant to section 365(k) of the Bankruptcy Code, the Debtors shall be relieved from any further liability for any breach of such Designated Contracts occurring after such assumption and assignment. Clean Harbors shall enjoy all of the rights and benefits under each such pre-petition Designated Contract without the necessity of obtaining each respective non-debtor party's written consent to the Debtors' assumption and assignment thereof.

13. All defaults or other obligations of the Debtors under the Designated Contracts transferred on the Closing Date, arising or accruing prior to the Closing Date, shall be paid at Closing or shall promptly be cured or otherwise satisfied by the Debtors and Clean Harbors such that Clean Harbors shall have no liability or obligation with respect to any default or obligation arising or accruing under any of the Designated Contracts prior to the consummation of the Sale, except to the extent expressly provided in the Agreement.

14. The failure of the Debtors and/or Clean Harbors to enforce at any time one or more terms or conditions of any Designated Contract shall not be a waiver of such terms or conditions, or of the Debtors' and/or Clean

Harbors' rights to enforce each and every term and condition of the applicable Designated Contract.

15. Each non-debtor party to a Designated Contract hereby is forever barred, estopped, and permanently enjoined from asserting against Clean Harbors, or its property, any default or breach under any Designated Contract, any claim of lack of consent or any other condition to assignment thereof, or any counterclaim, defense, setoff, right of recoupment or any other claim asserted or assertable against the Debtors, arising under or related to the Designated Contracts and existing as of the Closing Date, or arising by reason of the Sale, except to the extent expressly provided for in the Agreement.

16. Except where a non-debtor party to a Designated Contract has filed and served a timely objection asserting a higher cure amount (such higher amount being referred to herein as a "Disputed Cure Amount") than the Cure Amount reflected in the Notice filed and served by the Debtors on or about May 21, 2002 (the "Cure Notice"), relative to such Designated Contract, and except where such non-debtor party to the Designated Contract has agreed to a lesser cure amount, the Cure Amounts relative

to the Designated Contracts shall be equal to the amount reflected in the Cure Notice.

17. With respect to the Disputed Cure Amounts, the Debtors have agreed that (1) as to Schwing, Inc., the Cure Amount for the royalty agreement with Schwing, Inc. shall be \$22,393.01; (2) as to Belle Grove Industries Park, Inc., the Cure Amount for the lease agreement shall be \$40,515.00; and (3) as to Lone Mountain Waste Disposal, Inc., the Cure Amount for the lease agreement shall be \$354,174.96.

18. Any provision in any Designated Contract to which the Debtors are a party that purports to declare a breach or default as a result of the triggering of a change-in-control, as defined by such Designated Contract, and such triggering event being the sale under the Agreement, is hereby deemed unenforceable and all such Designated Contracts shall remain in full force and effect.

19. Nothing herein, in the Motion, or in the Cure Notice shall be deemed an admission by the Debtors that any Designated Contract is an executory contract or unexpired lease that must be assumed and assigned to consummate the Sale.

**Sale is Exempt from any Stamp,  
Transfer, Recording or Similar Tax**

20. The sale of the Acquired Assets pursuant to the Agreement is a transfer under section 1146(c) of the Bankruptcy Code, and accordingly, may not be taxed under any law imposing a stamp, transfer, recording or similar tax. Each and every federal, state and local government agency or department is hereby directed to accept and all documents and instruments necessary and appropriate to consummate the transfer of any of the Acquired Assets, all without imposition or payment of any stamp tax, transfer tax, or similar tax.

21. Except as provided in paragraph 20, within ten (10) days after the Closing, the Debtors shall deposit into escrow the full amount of the transfer taxes (the "Transfer Taxes"), if any, due and payable to the State of Illinois, Department of Revenue, in connection with the Sale to Clean Harbors. The Transfer Taxes, if any, shall be paid by the Debtors, as provided in the Agreement, unless and to the extent that the law of the applicable jurisdiction shall require that Clean Harbors pay the same. The Transfer Taxes shall be held in escrow until (a) otherwise agreed to by the Debtors and an authorized representative from the State of Illinois,

Department of Revenue, or Clean Harbors and an authorized representative from the State of Illinois if the law of the applicable jurisdiction provides that the purchaser shall be responsible for the Transfer Taxes, or (b) final resolution and exhaustion of all appeals in both of the following bankruptcy cases: (i) In re Montgomery Ward, LLC, et al., Case No. 00-4667 (RTL) (Bankr. D. Del.) and (ii) In re Hechinger Investment Company of Delaware, Inc., et al., Case No. 99-2261(PJW) (Bankr. D. Del.), on the issue of the exemption from transfer taxes under Bankruptcy Code §1146(c) pursuant to a sale outside of, but in furtherance of effectuating, a plan of reorganization. The decision of the highest court to decide the issue shall control in this case.

#### **Additional Provisions**

22. The consideration provided by Clean Harbors for the Acquired Assets under the Agreement is hereby deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

23. On the Closing Date, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance and



transfer of all of the Acquired Assets or a bill of sale transferring good and marketable title in such Acquired Assets to Clean Harbors, transferred on the Closing Date.

24. Except as otherwise provided in the Agreement, on the Closing Date, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release their respective Encumbrances in or Claims against the Acquired Assets, if any, as may have been recorded or may otherwise exist.

25. If any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing Claims against or Encumbrances on the Acquired Assets shall not have delivered to the Debtors prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, and/or releases of all Claims or Encumbrances which such person or entity has with respect to the Acquired Assets, then, except as otherwise provided in the Agreement, the Debtors are hereby authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Acquired Assets.

26. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement.

27. All entities who are presently, or may be, in possession of some or all of the Acquired Assets on the Closing Date, are hereby directed to surrender possession of the Acquired Assets to Clean Harbors on the Closing Date.

28. Except as provided under the Agreement, Clean Harbors shall have no liability or responsibility for any liability or other obligation of the Debtors arising under or related to the Acquired Assets.

29. Other than the Permitted Exceptions and the Assumed Liabilities, the sale, transfer, assignment and delivery of the Acquired Assets shall not be subject to any Encumbrances or Claims, and Encumbrances or Claims of any kind or nature whatsoever shall attach only to the net proceeds of the Sale in their order of priority, with the exception of the Non-consenting Tax Claimants and Non-consenting Lien Claimants' liens which shall attach to the Tax Segregated Fund and the Lien Segregated Fund as set forth above. All persons holding Encum-

branches in or Claims against the Acquired Assets of any kind or nature whatsoever (other than persons holding Permitted Exceptions and Assumed Liabilities) shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Encumbrances or Claims of any kind or nature whatsoever against Clean Harbors, its property, its successors and assigns, its affiliates or the Acquired Assets, with respect to any Encumbrances or Claims of any kind or nature whatsoever such person or entity had, has, or may have against or in the Debtors, their estates, or the Acquired Assets. Following the Closing Date, no holder of an Encumbrance in or Claim (other than holders of Permitted Exceptions and Assumed Liabilities) against the Debtors shall interfere with Clean Harbors's title to or use and enjoyment of the Acquired Assets based on or related to such Encumbrances or Claims and all such Encumbrances and Claims, if any, shall be and hereby are channeled, transferred and attached solely and exclusively to the proceeds of the Sale in their order of priority.

30. The Bankruptcy Court shall have and retain exclusive jurisdiction to determine all controversies and disputes arising under or in connection with the Agree-

ment or the Sale commenced on or before the effective date of any plan or plans of reorganization in these chapter 11 cases and non-exclusive jurisdiction to determine all controversies and disputes arising under or in connection with the Agreement or the Sale commenced after the effective date of any plan or plans of reorganization until such time as these chapter 11 cases are closed.

31. The provisions of the Sale Order are nonseverable and mutually dependent.

32. Except as set forth in the Agreement, the transfer of the Acquired Assets and the assumption and assignment of the Designated Contracts pursuant to the Sale shall not subject Clean Harbors to any liability with respect to the operation of the Business prior to the Closing Date or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of equitable subordination or successor or transferee liability.

33. Upon the closing of the transactions contemplated by the Agreement, Clean Harbors shall not be deemed to (i) be the successor of the Debtors, (ii) have,

*de facto*, or otherwise, merged with or into the Debtors, or (iii) be a mere continuation or substantial continuation of the Debtors or the enterprise(s) of the Debtors.

34. Upon the granting of this Order by this Court with respect to the Agreement, including the assumption and assignment of the Designated Contracts approved and authorized herein, Clean Harbors shall be entitled to the protection of section 363(m) of the Bankruptcy Code. The transactions contemplated by the Agreement are undertaken by Clean Harbors in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and, accordingly, the reversal or modification on appeal of this Order and the authorization to consummate the transactions provided herein shall not affect the validity of any transfer under the Agreement and this Order to Clean Harbors, unless such transfer is duly stayed pending such appeal.

35. The consideration provided by Clean Harbors for the Acquired Assets and the assumption and assignment of the Designated Contracts under the Agreement is fair and reasonable and may not be avoided under Section 363(n) of the Bankruptcy Code.

36. The terms and provisions of the Agreement and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estate,

and their creditors and interest holders, Clean Harbors, and their respective affiliates, successors and assigns, and any affected third parties including, but not limited to, all persons asserting a Claim against or Encumbrance in the Acquired Assets to be sold to Clean Harbors pursuant to the Agreement, notwithstanding any subsequent appointment of any trustee for the Debtor under any chapter of the Bankruptcy Code, as to which trustee such terms and provisions likewise shall be binding in all respects.

37. The failure specifically to include or to reference any particular provision of the Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Agreement be authorized and approved in its entirety.

38. The Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by the parties thereto, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estate.

39. Nothing in this Order or the Agreement shall be deemed to release or nullify liability under Environmental Laws to a governmental entity applicable to owners or operators of the Acquired Assets after the date of entry of this Order, and nothing in this Order or the Agreement shall enjoin any governmental entity from enforcing such liability. Further, nothing in this Order or the Agreement shall alter or nullify any governmental entity's police and regulatory authority and discretion to review and approve the applications for transfer or issuance of permits and the submission of documents showing acceptable financial assurance as required under Environmental Laws. Finally, nothing contained in this Order or the Agreement shall be deemed to restrict or inhibit any governmental entity from seeking to hold responsible, at law or in equity, Clean Harbors for Environmental Cleanup or Response Cost Liabilities, as defined in paragraph 20(i) of the Consent Agreement with the United States Environmental Protection Agency dated August 24, 2000, of the Seller and the Selling Subs related to the Acquired Assets and the Business.

40. Notwithstanding anything to the contrary in this Order or the Agreement, nothing in this Order or the Agreement releases or nullifies Clean Harbors' liability

to a Texas governmental entity under police and regulatory statutes or regulations to which it would be subject (i) as the owner or operator of property that Clean Harbors owns or operates after the date of transfer, or (ii) with respect to applying for transfer of permits and providing acceptable financial assurance for property. Further, nothing in this Order or the Agreement shall alter or nullify any Texas governmental entity's police and regulatory authority and discretion to review and approve the applications for transfer of permits and the submission of documents showing acceptable financial assurance for property. Clean Harbors expressly assumes the obligations of the Debtors, in Paragraph 56(h) of the August, 2001 Settlement Agreement between the Debtors and the Texas Natural Resource Conservation Commission ("TNRCC") and, to the extent the Debtors have not previously done so, shall submit proof of compliance with the requirements of that paragraph no later than September 1, 2002, concerning the incinerator at the Deer Park, Texas facility.



41. Any and all claims, causes of action, and choses in action arising pursuant to the Designated Contracts are hereby transferred from the Debtors to Clean Harbors.

Dated: Wilmington, Delaware  
June 18, 2002

A handwritten signature in dark ink, appearing to read "P.J. Walsh", is written over a horizontal line.

Honorable Peter J. Walsh  
Chief United States Bankruptcy Judge

## EXHIBIT A

FILE NO.	SEE NAME/CAPTION
650-VWD	Bayou Sorrel
655-VWD	Beede Waste Oil
523-VWD	Besluc-Penn (GSX) (U.S. v. Allegheny Ludlum, et. al)
440-VWD	BROS
524-VWD	Caldwell Systems
202-VWD	Cam-Or
299-VWD	Casmalia
1114-VWD	Cherokee Oil
90-VWD	Combustion, Inc.
695-VWD	Divex
298-VWD	Ekotek
1115-VWD	Environmental Pacific
654-VWD	Envirotek
91-VWD	Four County Landfill
639-VWD	FPR (Florida Petroleum Reprocessors Site)
89-VWD	Galaxy/Spectron
1092-VWD	Gibson Environmental, Inc.
148-VWD	H & M Drum
297-VWD	Hardage Disposal Site
461-VWD	Helen Kramer Landfill
646-VWD	Hershberger Landfill
496-VWD	Hollis Road
652-VWD	Jonas Sewell Transfer Station
693-VWD	Lorentz Barrel & Drum Co.
689-VWD	M&J Solvents
647-VWD	Northside Sanitary Landfill
909-VWD	PCB Treatment
256-VWD	Peak Oil
665-VWD	PJP Site - Elf Atochem
443-VWD	PJP Site - Exxon
969-VWD	RAMP Industries Inc. (US Pollution Control)
147-VWD	Resolve Site
653-VWD	Seaboard Chemical
138-VWD	Union Chemical
522-VWD	W & R Drum
295-VWD	Wichita (North Industrial Corridor)